Members giving the exact position of the students in the Medical and Engineering Colleges regarding the contribution, fees, etc.

Motion was, by leave, withdrawn.

Demand put and carried.

22. Rs. 1000 under "25 Public Health—A. (3) Rural Sanitation—Supplies and Services —Charges for Prevention of Epidemics."

Captain A. R. Poduval (*Director of Public Health and Panchayats*).—Sir, I rise to move for an additional allotment of Rs. 1000 under "25—Public Health—A (3)—Rural Sanitation—Supplies and Services—Charges for Prevention of Epidemics." I request the House may be pleased to grant the same.

Demand put and carried.

23. Rs. 550 under "25 Public Health—A (3) Rural Sanitation—Ordinary T. A."

Captain A. R. Poduval (*Director of Public Health and Panchayats*).—Sir, I rise to move for an additional allotment of Rs. 550 under "25—Public Health A (3)—Rural Sanitation—Ordinary T. A." I request the House may be pleased to grant this allotment.

Demand put and carried.

24. Rs. 1,00,000 under "29 A. Civil Engineering B. O."

Mr. V. K. Aravindaksha Menon (*Chief Engineer*).—Sir, I rise to move for an additional allotment of Rs. 1,00,000 under "29—A—Civil Engineering." The necessity for, this additional allotment is for completing the construction of the Guest House now under progress. The original allotment under this item in the Budget was only Rs. 50,000, and the estimates prepared for this work comes to about Rs. 2,45,000. It is necessary to complete this work as early as possible and we will have to spent about 1,50,000 this year. We have already provision for Rs. 50,000 this year and so I request that an additional allotment of Rs. 1,00,000 may be granted.

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Mr. P. Kumaran Ezhuthassan *(Wadakkancheri).*— Is this estimate amount of Rs. 2,45,000 the total cost till we reach the last stage?

Mr. V. K. Aravindaksha Menon *(Chief Engineer).*— So far as the estimates have been prepared the cost comes to this amount.

Mr. Shabdai S. Koder *(Jews-Special).*—When can we hope to open the Guest House?

Mr. V. K. Aravindaksha Menon *(Chief Engineer).*— As soon as possible.

Motion No 5.

Mr. E. Ikkanda Warriar *(Urakam).*—*To reduce the demand of Rs. 1,00,000 under "29 Civil Engineering—B. O." by Re. 1. (To ascertain from the Government the total probable cost on the construction of the Guest House under acquisition of lands, buildings etc. and the urgency of doing so much work this year).*

Sir, I am not unmindful of the fact that this House has agreed to the construction of the Guest House at Ernakulam, and I am not now going to question that decision. Even at the time the House granted the amount for its construction we were not given the exact amount that we would have to spend on the whole scheme. Even now the Chief Engineer says that he is not quite sure whether it will be the cost of the whole scheme or only the cost of two or three buildings to be put up.

Mr. V. K. Aravindaksha Menon *(Chief Engineer).*— It is not a scheme. It is only a construction of a building.

Mr. E. Ikkanda Warriar *(Urakam).*—Is it the total cost of the buildings, the compound, electric installation etc.?

Mr. V. K. Aravindaksha Menon *(Chief Engineer).*— The estimate is for the construction of the building, electric fittings, sanitary fittings, etc.

Mr. E. Ikkanda Warriar *(Urakam).*—That is one point on which I want to get information. The other point is about the urgency of the matter. Now so far as the finances of the State are concerned, I am sure the House is aware that we have not got much surplus even as the budget originally stood. Not only that, we were told that the customs revenue has fallen by 6

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or 7 lakhs. We were not able to provide for many of the urgent necessities even in the present budget. I therefore want to know why the Government is in such a great hurry to carry on this unproductive work in preference to other ameliorative measures which will benefit and improve the conditions of the masses. In that connection I want also to know from where the Government propose to get this money. Is it from the ordinary income? Is it by cutting the other items of expenditure for which you have provided in the budget or is it from the loans that you have floated and lying in the State treasuries. I want to know the source from which the Government is going to spend this money. It is for that purpose that I move for the reduction of this amount by one rupee.

Rama Varmha Tampuran *(Comptroller of Accounts).*—Sir, the Member referred to the source of this expenditure. It is a novel question on the discussion of an additional allotment like this. This item comes under "29A. Civil Engineering." It will come directly under the heads which are generally met from out of the general revenues. It is not a capital expenditure. It is not intended that any money should be borrowed. Of course there will be the general question whether the Budget is balanced or not. It is not necessary to borrow any money to meet this expenditure.

Mr. E. Ikkanda Warriar *(Urakam).*—Suppose there is a deficit

Rama Varmha Tampuran *(Comptroller of Accounts).*—Suppose even without this there is a deficit, what is the Government going to do. This question will never arise at all. The Government keep an eye on the general financial situation as to how the receipts are being realised, whether there is going to be a deficit and if there is a deficit such expenditure will be met from the accummulated surpluses of the State. There is nothing particular relating to this item.

Mr. E. Ikkanda Warriar *(Urakam).*—How do you propose to get this one lakh of rupees?

Rama Varmha Tampuran *(Comptroller of Accounts).*—It comes under public buildings.

Dr. A. R. Menon *(Pallippuram).*—Which buildings are you going to sacrifice?

Rama Varmha Tampuran *(Comptroller of Accounts).*—No building need be sacrificed to meet this expenditure.

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The Hon'ble Members are confusing things simply because this amount is a large one. I am going to the root of the matter. It does not affect any particular class of buildings. Government will have always an idea as to the general finances of the State. Every month it is being reviewed. Questions like this whether any particular building has to be sacrificed or whether Government have to go in for loans, will never arise during the time of discussion on an additional allotment.

Dr. A. R. Menon *(Pallippuram)*.—You ask for a sum of Rs. 25,000 at the time of the Budget. Later on you come here with an additional allotment of Rs. 1,00,000 saying that you have discussed this matter at the time of the budget. This is an abuse of the power. You budget Rs. 50,000 first and then come to the House with an additional allotment of one lakh of rupees. This is not an additional allotment. I say it is a misnomer. The terms are misapplied.

Rama Varmha Tampuran *(Comptroller of Accounts)*.—When the House passed for the construction of a Guest House, the House really knew its commitments. This is not a new expenditure sprung on them. If this one lakh of rupees is not provided this year, naturally this will come in the next year. The House cannot say that this work can be completed by spending this 50 thousand rupees. Naturally the House cannot say that they knew nothing of the cost of the house that is going to be put up.

Dr. A. R. Menon *(Pallippuram)*.—We did not know that after 6 months the Finance Minister will come and ask for a lakh of rupees more.

Rama Varmha Tampuran *(Comptroller of Accounts)*.—There was a discussion on this question whether with this 50,000 rupees the Government can complete the building.

Dr. A. R. Menon *(Pallippuram)*.—During the Budget Session the necessity for the Guest House was discussed and the House by a majority passed that there was necessity for one and you asked for a grant of Rs. 50,000. Now you come forward with an additional allotment of one lakh of rupees. The question is wherefrom are you going to meet this very large amount. I want to submit that the general principle of producing the budget is misleading. It is a jumbling of figures and nobody knows what are its principles except the Finance Minister. You can as well have said that there is so much saving under such and such a head. We expect an additional income

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from such and such a source. I can understand that. Have you made any such statement? Instead of indulging in philosophic arguments can you say wherefrom you can get this one lakh of rupees.

Mr. President.— I think I have understood the Hon'ble the Finance Member. He said that with reference to any one of these additional allotments you can ask wherefrom the Government are going to get the amount. That question may arise with regard to this allotment also. Now we come to the particular question wherefrom are we to get this money. Do you expect any additional revenue? The answer is no. The second question is do you propose to cut down certain items of expenditure. The answer to that question is also no. Then the question is wherefrom you get the money. The answer to this is this. When we prepared the budget we anticipated a surplus amount, and if our anticipations were correct we would have a surplus of Rs. 1,98,000 from which we would be able to meet this as well as the other items. But suppose for instance our calculations go wrong then this as well as the other expenditures will be met out of the accumulated resources. Suppose there are fifty lakhs of accumulated resources. Then instead of 50 lakhs we would have only 49 lakhs.

Dr. A. R. Menon *(Pallippuram).*—You under estimate the expenditure and over estimate the revenue.

Mr. President.—We anticipated at that time certain revenues and expenditure and according to our time table we will have one lakh and 98 thousand rupees surplus. This amount has to be spent from that anticipated surplus and if the anticipated surplus does not materialise, then it will be met from the accumulated balances.

Mr. A. Sivarama Menon *(Mulakunnathukavu)*—Sir, the difficulty arises in this way. It is quite true that every demand for a supplementary grant, however small it may be, is put to the vote of this House. I submit, Sir, the question as to how a particular demand will ultimately affect the financial position of the State is a very relevant consideration. As you, Sir, put it from the Chair, if the anticipated surplus of 1,98,000 is the only source out of which this additional allotment could be met and if that anticipated surplus could not be realised in full, then this House has got a right to know whether the demand is really an urgent one. We are anxious to know the source from which this amount is to be drawn and also

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to assure ourselves that the grant of this demand will not adversely affect our financial equilibrium. I do hope that the Finance Member will help the House with full information under this head. On the question of principle the whole House agrees with the Hon'ble the Finance Member that asking for a supplementary grant of a rupee stands exactly on the same footing as asking for a lakh of rupees. What we want to know is whether our financial position is such that we can safely vote for the grant of a lakh of rupees at present. That is the only desire of the Hon'ble Members of this House.

Rama Varmha Tampuran (*Comptroller of Accounts*).—Definite answer cannot be given until the revised estimates are prepared. We have got accounts only till Makaram and from the receipts and expenditure of the first six months there has been no indication that our general anticipations are going to be upset and further when we forward these additional allotments to the Secretariat we generally give an indication as to how much additional allotment is pending with the Government at that time; and when we forwarded this particular item the amount pending was only one lakh and seventeen thousand rupees. Besides that additional grants to the extent of 34,000 rupees has also been sanctioned. Therefore roughly it comes to about 1 lakh and 50 thousand rupees. Out of the surplus of Rs. 1,80,000, proposal for an amount of Rs. 1,50,000 as additional allotment had been sent to the Secretariat. Therefore till now we have not completely exceeded the whole of this 1,80,000. I can only say so much with regard to these additional allotments. Nothing more definite can be given at present.

Mr. E. Ikkanda Warriar (*Urakam*).—Is it not a fact that there has been a fall in the customs revenue by 7 lakhs?

Rama Varmha Tampuran (*Comptroller of Accounts*).—We have not got the figures for the year 1937—1938. It will be received somewhere in Mithunam or Karkadagam. There was one year in which we did not receive any customs revenue at all. What the Hon'ble Member refers to is the customs revenue for the year 1936—37 which was received this year. We are looking forward for the customs revenue of 1937—38 to be realised before the end of our financial year. If that materialises I do not think there will be room for much fear.

Mr. E. Ikkanda Warriar (*Urakam*).—My question is as regards the fall in the customs revenue as distinct from the

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receipt therefrom. Is it not a fact that the customs revenue has fallen by 7 lakhs.

Rama Varmha Tampuran (*Comptroller of Accounts*).—The amount of 12½ lakhs that we have received already is for the year 1936—37. We expect to get a good portion of the year 1937—38 before the end of Karkadagam.

Mr. President.—With regard to the customs revenue it is not possible to give all the information. The Hon'ble Member is right to the extent that in the current year we provided for a receipt of 20 lakhs whereas we actually received only 13 lakhs. Therefore there has been a fall of 7 lakhs of rupees so far as the current year is concerned. If we had any reason to think that this fall of 7 lakhs of rupees will be a phenomena not peculiar to the current year but will be repeated in subsequent years then we have to radically alter our arrangement but fortunately for us it is not so. I think it can be stated now that as a result of the separation of Burmah from India the duty of patrol and oils which hitherto was classified as excise duty will from the 1st of April 1937 be classified as customs duty. Now that alone comes to about 53 lakhs of rupees. Therefore by the separation Cochin State stands to gain a very big slice out of the revenue got from this. Therefore under this revised arrangement we expect, and there is no reason to suppose that this expectation will not be fulfilled, that from 1937—38 our share of customs revenue will approximately be 23 to 24 lakhs a year. Therefore for future years we are perfectly safe. We need not be worried about temporary fall. And in fact even with regard to this deficit of 7 lakhs we are carrying on certain negotiations with the Government of India and if these negotiations are completed before the current Malayalam year I do hope that we can make up this deficit. Therefore the position does not warrant any pessimism even though there has been a temporary fall of 7 lakhs of rupees. So the entire position will be this. If we have not succeeded in making good this 7 lakhs of rupees or at least a part of it in the current year, to that extent there will be some deficit in the current year's budget which will be made good by withdrawing from our accumulated balances. I do not think that there is any cause for alarm.

* **Mr. P. Kumaran Ezhuthassan** (*Wadakkancheri*).—I submit that my point in the cut motion of the Hon'ble Member for Urakam has been missed by the House. Various state-

* Speech not corrected by the Hon'ble Member.

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ments have been made by the Finance Member, by the President and some other Hon'ble Members.

My point is this. As noted here the point is regarding the urgency of doing this work this year. You will be pleased to remember, Sir, that our Budget with a surplus of 1,82,000 rupees was made by making drastic cuts on nation building departments like Agriculture, Panchayats and Public Health and things like that. You will be pleased to find in the Statement of the Hon'ble the Finance Member while presenting the Budget that on Panchayats there has been a drastic cut from the revised estimates of 1112 and likewise in Agriculture and Public Health. And after making such drastic cuts what you thought proper and necessary to provide for the Guest House was only Rs. 50,000. That amount must have been arrived at by making the necessary calculations as to what expenditure you will be pleased to incur this year. Now it has been stated that in the remaining months of the year the Department of Engineering would be able to spend another lakh of rupees. It is not a question of the capacity of the Engineering Department to spend large amounts this year than was budgetted for. The question is whether you will be justified in spending one lakh while you have stringently provided on vital departments. The point of the cut motion seems to me that there is no urgency for finishing the work to the extent of one lakh of rupees and therefore that expenditure may very well lie over and there is considerable force in pressing such an aspect before the House in view of the various statements that have been made here regarding our financial position. As far as the receipt of customs revenue of the current Malayalam year is concerned it is clearly stated that there is deficit of 7 lakhs of rupees and the only expectation of the Government is if the negotiations that the Government are carrying on with the Imperial Government fructify then there is prospect of at least a portion of the 7 lakhs being made up this year. But as things stand is there any justification for spending this large amount of money this year itself? Therefore if we go at this rate there will be a huge deficit. Then the only remedy will be to draw from the funds that have been accumulated in previous years. There is no necessity in spending this amount this year. It is not a question of going against the decision of the House. But the question is whether there is any urgency.

Dr. A. R. Menon *(Pallippuram).*—The cut motion is only to reduce one rupee. Even if it is carried the allotment will

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be reduced only by one rupee. If it is a substantial cut I can understand. Therefore I support the Government.

Mr. E. Ikkanda Warriar *(Urakam).*—From the explanation that we heard from the President the position is this, that it will not affect the financial position in the sense that even if there is a deficit, it will be appropriated from the accumulated surplus, or rather I would call it from the accumulated balance. I would go a step further and say from the accumulated borrowing for which we are paying interest. I therefore say that this is an item of expenditure which is not one which is very urgent and there are other items of expenditure which are more important than this as pointed out by the Hon'ble Member for Wadakkancheri when he referred to the allotment for Panchayats, etc. A sum of Rs. 82,000 had to be retrenched for balancing the budget. I therefore say that preference has to be given to such expenditure. When you ask for a road, when you ask for water to irrigate your paddy fields, you have no amount. When a peon wants leave due to sickness he is compelled to take leave on loss of pay because there is no funds in the budget. There is no provision for leave allowance. I therefore say it will be a suicidal policy to spend this one lakh of rupees on this luxury in the face of very pressing necessities. What did the President tell us? He told us that there is no room of pessimism. I grant that. Let us know where we stand. Let us wait for next year and wait for a time when we get the amount from the customs revenues which we expect toget from the separation of Burma from India. I therefore most respectfully beg to submit that there is no urgency for spending this amount this year. There is already a Guest House. There is the Malabar Hotel where very respectable guests can be accommodated. At any rate even if there is urgency, it is not so urgent as the other works that we have got to do.

Motion put and negatived.

Mr. P. Kumaran Ezhuthassan *(Wadakkancheri).*—A Poll Sir,

POLL.

Ayes.	Noes.
1 Mr. E. Ikkanda Warriar.	1 Mrs. Meenakshi N. Menon.
2 ,, C. R. Iyyunni.	2 ,, D'Souza Williams.

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Ayes		Noes	
3	Mr. P. Kumaran Ezhuthassan.	3	Mr. Shabdai S. Koder.
4	,, T. A. Ramachandra Ayyar.	4	,, K. Ayyappan.
5	,, P. Govinda Menon.	5	,, K. M. Kunhi Moideen.
		6	,, K. M. Ibrahim.
		7	,, P. C. Varkey.
		8	,, A. Sivarama Menon.
		9	Dr. A. R. Menon.
		10	Mr. P. Sankunni Menon.
		11	,, George Parakkal.
		12	,, V. K. Kutty.
		13	,, K. S. Manickam.
		14	,, M. V. Cherian.
		15	,, Popatlal Goverdhan Lalan.
		16	,, V. S. Krishnan Vaidyan.
		17	,, K. P. Kannan Nayar.
		18	,, K. Achyuta Menon.
		19	,, P. J. George.
		20	,, Thomas Manjuran.
		21	Rao Sahib I. N. Menon.
		22	,, Sahib M. Narayana Menon.
		23	Dr. D. Raghavendra Rao.
		24	Mr. T. Narayana Menon.
		25	Capt. A. R. Poduval.
		26	Mr. K. M. Subramania Ayyar.
		27	Rama Varmha Tampuran.
		28	Mr. V. K. Aravindaksha Menon.
		29	Mr. K. Narayana Menon.
		30	Mr. K. Krishna Warriar.
		31	Mr. A. Sankar a Menon.

Motion was, therefore, lost.

Mr. President.—The question before the House is that a sum not exceeding Rs. 1,00,000 may be voted for His Highness' Government under 29—A—Civil Engineering.

Mr. P. Kumaran Ezhuthassan *(Wadakkancheri).*—Sir, I oppose the motion.

Demand put and agreed to.

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Mr. P. Kumaran Ezhuthassan *(Wadakkancheri).*— A poll, Sir.

POLL.

Noes.	Ayes.
1 Mr. E. Ikkanda Warriar.	1 Mrs. Meenakshi N. Menon
2 ,, C. R. Iyyunni.	2 ,, D'Souza Williams.
3 ,, P. Kumaran Ezhuthassan.	3 Mr. Shabdai S. Koder.
4 ,, T. A. Ramachandra Ayyar.	4 ,, K. Ayyappan.
5 ,, P. Govinda Menon.	5 ,, P. C. Varkey.
	6 ,, A. Sivarama Menon.
	7 Dr. A. R. Menon.
	8 Mr. P. Sankunni Menon.
	9 ,, GeorgeParakkal.
	10 ,, V. K. Kutty.
	11 ,, K. S. Manickam.
	12 ,, M. V. Cherian.
	13 ,, Popatlal Goverdhan Lalan.
	14 ,, V. S. Krishnan Vaidyan.
	15 ,, K. P. Kannan Nayar.
	16 ,, K. Achyuta Menon.
	17 ,, P. J. George.
	18 ,, Thomas Manjuran.
	19 Rao Sahib I. N. Menon.
	20 Rao Sahib M. Narayana Menon.
	21 Dr. D. Raghavendra Rao.
	22 Mr. T. Narayana Menon.
	23 Capt: A. R. Poduval.
	24 Mr. K. M. Subramania Ayyar.
	25 Rama Varmha Tampuran.
	26 Mr. V. K. Aravindaksha Menon.
	27 Mr. K. Narayana Menon.
	28 ,, K. Krishna Warriar.
	29 ,, A. Sankara Menon.
	30 ,, E. F. Norman.
	31 ,, C. S. Viswanatha Ayyar.
	32 ,, A. Eachara Menon.

The House rose for lunch at 1—30 p. m. and re-assembled at 3 p. m. with the Deputy President in the Chair.

25. Rs. 25000 under "29 A. Civil Engineering—B. O."

Mr. V. K. Aravindaksha Menon *(Chief Engineer).*— Sir, I rise to move for an additional grant of Rs. 25,000 under

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